## HARGROVE, SMELLEY, STRICKLAND & LANGLEY

JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
GLENN L. LANGLEY
LOUISE F. PEARCE
T. ISSAC HOWELL
MAGAN F. CAUSEY

(A Professional Law Corporation)
American Tower, Suite 600
401 Market Street
SHREVEPORT, LOUISIANA 71101-3239

April 24, 2007

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7200
TELECOPIER (318) 429-7201

THOMAS J. WYATT (1942-1996)

OF COUNSEL
WILLIAM G. CONLY

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Formation, Reservoir A; and Cotton Valley Formation, Reservoir A; CASPIANA FIELD, Caddo and DeSoto Parishes, Louisiana.

Dear Sir:

MATADOR PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Formation, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana:

- 1. To permit Applicant to drill, designate and utilize a unit well and one (1) alternate unit well for CV RA SUG, at the locations shown on an attached plat.
- 2. To permit Applicant to drill, designate and utilize an alternate unit well for HOSS RA SUG at the location shown on an attached plat.
- 3. To approve exceptions to the spacing provisions of Office of Conservation Order No. 191-B, effective April 15, 1975 (applicable to the Hosston Formation, Reservoir A), and Office of Conservation Order No. 191-A, effective February 15, 1975 (applicable to the Cotton Valley Formation, Reservoir A), for each of the proposed wells.
- 4. To find that the proposed alternate unit well is necessary to efficiently and economically drain a portion of the Hosston Formation, Reservoir A, underlying HOSS RA SUG, and the Cotton Valley Formation, Reservoir A, underlying CV RA SUG, which cannot be efficiently and economically drained by any existing well on these units.
  - 5. To designate Applicant as operator of HOSS RA SUG and of CV RA SUG.
- 6. To permit Applicant to combine downhole production from the Hosston Formation, Reservoir A, with production from the Cotton Valley Formation, Reservoir A, in the wellbore of any existing or future wells located on HOSS RA SUG and CV RA SUG in which the interests in these units are identical.
  - 7. To discuss such other matters as may be pertinent to this application.

Honorable James H. Welsh April 24, 2007 Page 2

The Hosston Formation, Reservoir A, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana, was defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

The Cotton Valley Formation, Reservoir A, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana, was defined in Office of Conservation Order No. 191-A, effective February 15, 1975.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of each of the attached plats, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Caspiana Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose a check payable to the Commissioner of Conservation for the application fee.

Yours very truly, I I I I I I I I

David L. Smelley

Attorney for J-W Operating Company

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Kevin Donohue (w/encls.) Mr. Louis Gilbert (w/encls.) Interested Owners, Represented

Parties and Interested Parties (w/plats only)



